



# Bangalore Branch of SIRC Newsletter

English Monthly

Volume 02 | Issue 2 | September, 2013 | Pages : 12

₹ 5/- per copy  
For Private Circulation only



Chief Guest Sri R.K. Dubey, CMD, Canara Bank inaugurating the conference;  
Presided by CA. Subodh Kumar Agrawal, President, ICAI and CA. K. Raghu, Vice President, ICAI



His Holiness Guruji Sri Sri Ravi Shankar at the conference

## ALL INDIA CA STUDENTS CONFERENCE

*Adopt, Adept & Achieve*



CA. T.N. Manoharan, Past President, ICAI  
addressing the students



Cross section of the student delegates at the conference





# Chairman's Communique . . .

## My Dear Fellow Professionals

Come September, for the entire fraternity this is a season of frenzied activity irrespective of the Chartered Accountant is in practice or industry. The Chartered Accountant in practice is busy in audit, preparation and filing of Income Tax Returns of Tax audit cases to adhere to the deadline of 30<sup>th</sup> September, while the member in the industry 30<sup>th</sup> September is a very important day which marks the end of the first half of the year and it is reporting time, a time to look at the revenue guidance announced by their companies at the start of the year and what has been achieved which can be a very demanding one especially in these trying times of abysmally low economic activity in the country and abroad alike.

## Tax Audit & Filing Of Income Tax Returns:

Change is the only thing that is constant, time and again this is proved especially for our profession as time and again there is change in the procedure of e-filing of Income Tax Returns. Members are requested to go through the changes which has come in e-filing of the I.T Returns in the case of Tax Audits, viz: Compulsory Digital Signature for CA, tagging of the client, acceptance by the client for filing of Audit report and filing of IT Return, filing of the audit report in 3CD in xml format, filing of I.T return in addition to the filing of report In 3CD Separately.

(Contd. on next page)



## Meeting with His Excellency Governor of Karnataka



CA. K. Raghu, Vice-President, ICAI presenting the bouquet to His Excellency Dr. Hans Raj Bhardwaj, Governor of Karnataka, in the presence of CA. Subodh K. Agrawal, President, ICAI and CA. Ravindranath S.N., Chairman, B'lore Branch



Flag hoisting



Chief Guest Jnana Sagara CA. S. Krishna Swamy



Cross Section of Participants

## Independence Day Celebration

## 7th Corporate Accountants Meet



Inauguration



CA. Ravindranath S.N.  
Chairman  
B'lore Branch



CA. Vijay Kumar  
Gupta, Central Council  
Member, ICAI



CA. K. Raghu,  
Vice-President,  
ICAI



CA. V. Balakrishna



CA. P. V. Srinivasan



Cross Section of Participants

## Workshop on Enabling Service Tax Practice – Level - 1 & 2



Inauguration



CA. Annapurna Kabra, CA. S. Ramasubramanian  
Workshop Co-ordinator



CA. T. R. Rajesh  
Kumar



Mr. Anirudh Nayak J.



CA. Mahesh Jaishigh

## Workshop on Enabling Service Tax Practice

## Press Meet



CA. Naveen Raj Purohit



CA. Dayananda K.



Mr. Shivadas G.



CA. K. Raghu, Vice-President, ICAI,  
CA. Vijay Kumar Gupta, Central Council Member, ICAI &  
CA. Ravindranath S.N., Chairman, B'lore Br. addressing the press



Cross section of media persons

## Chairman's Communique . . .

(Contd. from page 2)

### All India CA Students Conference – A Grand Success:

At the outset we would like to place on record our sense of gratitude to Fr Joseph Mathew, Vice Chancellor of Christ University for having provided us the unique opportunity of hosting the conference in the Christ University Auditorium.

This mega conference was attended by 2300+ students. All the technical sessions addressed by the student speakers were of the impeccable brilliance which was acknowledged by the Chairmen of the technical sessions. The students were enthralled by our Past President CA T.N.Manoharan's motivational address. The students received the blessings and advice from the world renowned humanitarian leader Sri Sri Ravishankar Guruji who addressed for the first time at such a large gathering of students who are pursuing Chartered Accountancy. The Student Speaker Ms. Aastha Gupta from New Delhi who presented paper on Disallowances under Income Tax Act, 1961 was declared as the best student speaker through voting by the student delegates. On behalf of the Bangalore Branch I congratulate Ms. Aastha Gupta and wish her a successful career ahead.

This conference apart from record attendance of CA Students, blood donation camp organized on the sidelines witnessed record donation of 252 units of blood, students have whole heartedly responded to this noble initiative of social responsibility of Bangalore Branch. The grand success of this Conference proved to be one more feather in the cap of the Bangalore Branch of ICAI.

### Upcoming Programmes:

September being the busy month for all the professionals, we have planned only weekly Wednesday study circle meetings.

**Two Day Workshop On Enabling Service Tax Practice Level -2:** After the successful conduct of the level 1 workshop in the month of August 2013, we have planned

to organize the Level -2 workshop on Service Tax practice in the month of October 2013, for details of various topics covered, refer elsewhere in this news letter.

### Interactive Session With Commissioner Of Service Tax:

Voluntary compliance & encouragement scheme under the service tax has many complexities and anomalies that need to be known to the professionals which needs to be clarified so that we can encourage our clients to go under this scheme, to clarify the anomalies we have scheduled this interactive session with the Commissioner of Service Tax, refer calendar of events for more details.

### Interactive Session With Joint Commissioner of Commercial Taxes – Minor Acts:

As a practicing Chartered Accountant, we need to register under the profession tax and renew the registration by payment of the annual renewal fee, as per the information from the JCCT- Minor Acts, there is a big gap between the number of professionals in practice and the number of registrations under the profession tax, to facilitate the members to register / renew the registration, an interactive session with JCCT- Minor Acts has been organized, refer calendar of events for further details.

### Two Day National Conference on International Taxation:

With the globalization and opening up of Indian economy in various facets of business lot inbound and outbound investments and movement of technology professionals, International taxation and planning the taxation on international affairs of the companies and the individuals has become one of the important assignment for the Chartered Accountants. To update on this arena we have scheduled a two day National Conference on International taxation under the aegis of Committee on International Taxation, ICAI, New Delhi. For further Details, refer elsewhere in this news letter.

With Best Wishes



CA Ravindranath S N  
Chairman

## CPE Teleconference Programme - September 2013

Date/Day	Topic /Speaker	Venue/Time	CPE Credit
03.09.13 Tuesday	CPE Teleconference Programme	Branch Premises 11.00am to 01.00pm	2 hrs
20.09.13 Friday	CPE Teleconference Programme	Branch Premises 11.00am to 01.00pm	2 hrs
25.09.13 Wednesday	CPE Teleconference Programme	Branch Premises 11.00am to 01.00pm	2 hrs



## CALENDAR OF EVENTS - September & October 2013

Date/Day	Topic /Speaker	Venue/Time	CPE Credit
04.09.13 Wednesday	Snapshots on IFRS 10, 11 & 12 <b>CA. Prahlad Halgeri</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
11.09.13 Wednesday	Negative List in Service Tax <b>CA. Vidya Sarathy</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
18.09.13 Wednesday	Fraud Control <b>CA. Ramachandran Mahadevan</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
25.09.13 Wednesday	Recent Amendments to FDI Regulations <b>CA. Chidanand Urs</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
05.10.13 Saturday	<b>2 Day Workshop on Enabling Service Tax Practice-LEVEL 2 - Day 1</b> <i>Coordinator: CA. A. Saiprasad &amp; CA. Annapurna Kabra</i> <i>Fees: Rs.1,500/-</i>	Branch Premises 10.00am to 05.30pm	<b>6 hrs</b>
08.10.13 Tuesday	Interactive Session with <b>Commissioner of Service Tax</b> Overview of Voluntary Compliance Encouragement Scheme under Service Tax by <b>CA. Vinay Mruthyunjaya</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
09.10.13 Wednesday	Taxation of Hotels / Restaurants: Concepts & Issues in - VAT / Luxury Tax - <b>CA. Tata Krishna</b> - Service Tax - <b>CA. Bhanu Murthy J.S</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
12.10.13 Saturday	<b>2 Day Workshop on enabling Service Tax Practice-LEVEL 2 - Day 2</b> <i>Coordinator: CA. A. Saiprasad &amp; CA. Annapurna Kabra</i> <i>Fees: Rs.1,500/-</i>	Branch Premises 10.00am to 05.30pm	<b>6 hrs</b>
16.10.13 Wednesday	<b>Holiday on account of Bakrid</b>	—	—
17.10.13 Thursday	<b>Buy back of Shares : Procedures &amp; issues under</b> - the Companies Act,1956 - <b>Sri. Gopinath M.R., Company Secretary</b> - the Income Tax Act,1961 - <b>CA.Naveen Khariwal G</b> (including accounting issues) <i>Venue Address: Jain University Auditorium, 34, 1st Cross, J. C. Road, Bangalore-560027, Adjacent to Bangalore Stock Exchange Fees: Rs. 250/-</i>	Jain University Auditorium, Bangalore-560027 05.30pm to 08.30pm	<b>3 hrs</b>
18.10.13 Friday	1. Interactive Session with <b>Sri. M. Basavanna,</b> <i>Joint Commissioner of Commercial Taxes - Minor Acts</i> 2. Karasamadhana Scheme 2013 & Latest Notifications <b>CA. S. Venkataramani</b>	Branch Premises 05.30pm to 08.30pm	<b>3 hrs</b>
23.10.13 Wednesday	Ramifications of the Amendments to the definitions of "Agricultural Income" and "Agricultural Land" under the Income Tax Act, 1961 <b>CA. Ashok Raghavan</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>

**Note: For all programmes High Tea shall be provided 30 minutes prior to the start of the programme at the respective venue.**

### FORTHCOMING EVENTS FOR THE FUTURE ... Continued Overleaf ...

#### Advertisement Tariff for the Branch Newsletter

Colour full page	Inside Black & White
Outside back ₹ 30,000/-	Full page ₹ 15,000/-
Inside back ₹ 24,000/-	Half page ₹ 8,000/-
	Quarter page ₹ 4,000/-

**Advt. material should reach us before 22nd of previous month.**

Editor : **CA. Ravindranath. S.N**  
Sub Editor : **CA. Allama Prabhu M.S.**

**DISCLAIMER:** The Bangalore Branch of ICAI is not in anyway responsible for the result of any action taken on the basis of the articles and advertisements published in the newsletter. The views and opinions expressed or implied in the Branch Newsletter are those of the authors and do not necessarily reflect that of Bangalore Branch of ICAI.



## FORTHCOMING EVENTS FOR THE FUTURE

Date/Day	Topic /Speaker	Venue/Time	CPE Credit
25.10.13 Friday & 26.10.13 Saturday	<b>International Tax Conference *</b> <i>under the aegis of</i> <b>The Committee on International Taxation, ICAI, New Delhi</b> <i>Coordinator: CA. Gurunath Kannathur</i>		<b>12 hrs</b>
30.10.13 Wednesday	Taxation of Private Trusts <b>CA. K.K.Chythanya</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
06.11.2013 Wednesday	Analysis of Sections 50D & 54GB of the Income Tax Act, 1961 <b>CA. Ganapatlal Kawad H.</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
09.11.2013 Saturday	<b>Half day Workshop on VAT Audit</b> <b>CA. S. Venkataramani &amp; CA. Sanjay M Dhariwal</b> <i>Fees: Rs.500/-</i>	Branch Premises 09.30am to 1.30pm	<b>4 hrs</b>
13.11.2013 Wednesday	Goods Transport Services - Provisions & Issues under the Service Tax <b>CA. Roopa Nayak</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
16.11.2013 Saturday	<b>FRRB Awareness Programme*</b> <i>under the aegis of FRRB, ICAI, New Delhi</i>	Branch Premises 10.00am to 05.30pm	<b>6 hrs</b>
20.11.2013 Wednesday	Withdrawal & Revision of Audit Report - When? How? & Its Consequences <b>CA. Sunil Bumralkar</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>
21.11.13 Thursday	<b>Intellectual Properties (Copyrights, Trade Marks, Patents etc.,)</b> issues in - VAT & Service Tax - <b>CA. Annapurna Kabra</b> - Income Tax (DTAA etc) - <b>CA. Rishi Harlalka</b> <i>Venue Address: Jain University Auditorium, 34, 1st Cross, J. C. Road, Bangalore-560027, Adjacent to Bangalore Stock Exchange    Fees: Rs. 250/-</i>	Jain University Auditorium, Bangalore-560027 05.30pm to 08.30pm	<b>3 hrs</b>
27.11.13 Wednesday	Issues in Accounting Standards <b>CA. Ashok Kumar</b>	Branch Premises 06.00pm to 08.00pm	<b>2 hrs</b>

*\* Delegate Fee and other Details will be published in our next issue*

### Two Day Workshop on “Enabling Service Tax Practice”- LEVEL - II

**On Saturdays, 05th & 12th October 2013  
at Bangalore Branch premises**

**Day 1 - 05th Oct 2013, Saturday**

**12 hrs  
CPE**

09.30AM	Registration
09.45AM	Inauguration
10:00AM	Preliminary aspects of Service tax & Implication of taxes on different declared services
12.00 PM	Correlation between Negative list and Exemption notifications
02:15PM	Interpretation of Valuation Rules and Place of Provision of Service Rules
03:45PM	Analysis of CENVAT Credit Rules
<b>Day 2 - 12th Oct 2013, Saturday</b>	
10:00AM	Impact of service tax under ‘Reverse charges Mechanism’, ‘Joint Charge Mechanism’ and ‘Abatements Mechanism’.
11:45AM	Practical Issues in Statutory compliance like registration, issue of invoice, payment of Tax, Adjustment of Excess Payment of Tax: filing of Periodical Returns, Refund of Service Tax, Reply to notices, Appearing before department etc
02:00PM	Critical analysing of service tax on Construction Activities and Works contract
03:45PM	Critical analysing of service tax on Construction Activities and Works contract
05.15PM	Open house

### Special Programme on Service tax

**Interactive Session - Voluntary Compliance  
Encouragement Scheme - 2013**

**on 08.10.13, Tuesday at Branch Premises  
at 06.00pm to 08.00pm**

*Background :* Certain issues are raised by the members for clarifications also few apprehensions have been expressed with respect to certain provisions of the scheme. To examine & seek clarifications of the issues we have organized this interactive programme with the Senior Officials of the Service tax Department, Bangalore.

**Chief Guest :**

**Shri Sanjay Pant, IRS,**

*Commissioner of Service Tax, Bangalore .*

**Speakers :**

**CA. Vinay Mruthyunjaya**

Overview of "Voluntary Compliance Encouragement Scheme"

**Shri. Suresh Kumar, IRS,**

*Additional Commissioner of Service Tax*

- Detailed Presentation of the Scheme

Interactive Active & Open House Session with

**Shri. Sanjay Pant, IRS,**

*Commissioner of Service Tax, Bangalore.*

**Shri. Suresh Kumar, IRS,**

*Additional Commissioner of Service Tax*

- Analysis of the scheme.

**Dr. J. Harish, IRS, Assistant Commissioner**

**2 hrs  
CPE**



# TAX UPDATES JULY 2013

CA. Chythanya K.K., B.Com, FCA, LL.B., Advocate

## VAT, CST, ENTRY TAX, PROFESSIONAL TAX

### PARTS DIGESTED:

- a) 61 VST – Part 5
- b) 62 VST – Part 1 to 3
- c) 18 KCTJ – Part 4
- d) 76 KLJ – Part 7

#### *Reference / Description*

[2013] 62 VST 185 (AP – HC); **Katuri Medical College and Hospital v. CTO** - In the instant case the first Appellate Authority rejects the stay application by non-speaking order and Assessee files a revision petition before the revisional authority seeking stay of the disputed tax and penalty. The Assessing Authority during the pendency of revision petition before the revisional authority, issues garnishee notice to the bank where the account of Assessee is maintained, and the bank transferred the funds required to meet the disputed demand.

The Honourable Andhra Pradesh High Court held that the action of the Assessing Authority in recovering the amounts pending disposal of the revision petitions has made the said revisions infructuous. Therefore, the Court set aside the order of the Appellate Authority and the garnishee notice issued by the Assessing Authority and directed to remit the amount to bank account of Assessee with the costs of Rs. 10,000/-.

## INCOME TAX

### PARTS DIGESTED:

- a) 354 ITR – Part 6
- b) 355 ITR – Part 1 to 4
- c) 215 Taxman – Part 3 to 6

- d) 24 ITR (Trib) – Part 5 & 6
- e) 25 ITR (Trib) – Part 1 & 2
- f) 142 ITD – Part 8 & 9
- g) 143 ITD – Part 1 to 3
- h) 43 CAPJ – Part 1 & 2
- i) 45-A BCAJ – Part 4
- j) 62 TCA – Part 2
- k) 9 International Taxation-Part 1

#### *Reference / Description*

[2013] 355 ITR 474 (Bom - HC); **CIT v. Manjula J. Shah** - In the instant case the Honourable Bombay High Court held that where capital asset is acquired by assessee under gift, indexed cost of acquisition has to be with reference to the year in which previous owner acquired asset and not the year in which the assessee acquired asset.

[2013] 34 taxmann.com 238 (Kar. - HC); [2013] 215 Taxman (BN - XXXIX) Part 7; **CIT v. Denso Kirloskar** - In the instant case the Honourable Karnataka High Court held that provision made for warranty against goods would be entitled to deduction.

[2013] 34 taxmann.com 245 (Guj. - HC); [2013] 215 Taxman (BN - XXXIX) Part 7; **CIT v. Krupeshbhai N. Patel** - In the instant case the Honourable Gujarat High Court held that where assessee settled shares of a company to a genuine trust and ceased to have any beneficial interest in said company, loan given by such company to assessee could not be held as deemed dividend under Section 2(22)(e) of the IT Act.

[2013] 215 Taxman 151 (Karn. - HC); [2013] 34 taxmann.com 9

(Kar. - HC); **CIT v. Manipal Universal Learning (P.) Ltd.** - In the instant case Assessee purchased rights of distance learning division from another company and amount of Rs. 51.63 Crore was reflected in sale agreement. Assessee revealed price of such rights and claimed depreciation on revalued rights at Rs. 98.73 crore. Assessing Officer held that excess consideration paid over value of net assets was in nature of good will paid for future profits and, and therefore, allowed depreciation only on value mentioned in agreement.

The Honourable Karnataka High Court following the decision of the Honourable Supreme Court in the case of CIT v. SMIFS Securities Ltd. [2012] 24 taxmann.com 222 held that good will is an asset under Explanation 3(b) to Section 32(1), therefore, allowed the depreciation on revalued rights.

[2013] 216 Taxman 18 (Guj. - HC); 28 taxmann.com 119 (Guj. - HC); **CIT v. Valibhai Khanbhai Mankad** - In the instant case the Honourable Gujarat High Court held that where assessee has fulfilled requirement of second proviso to Section 194C(3) of the IT Act, disallowance of payment for sub-contractor cannot be made on the ground that Assessee has not furnished form No. 15J before the time required under Rule 29D.

[2013] 34 taxmann.com 123 (Chennai - Trib.); [2013] 142 ITD (BN - LXX) Part 8; **CRI Pumps (P.) Ltd. v. Asst. CIT** - In the instant case the Honourable Chennai Tribunal held that in terms of Clause (iia) of Section 32(1), additional depreciation is available in year in which machinery is new and first put to use and not for any succeeding year.

**[2013] 142 ITD 761 (Mum. – Trib.); [2013] 34 taxmann.com 75 (Mum. – Trib.); C.U. Inspections (I.) (P.) Ltd. v. Dy. CIT** - In the instant case the Honourable Mumbai Tribunal held that when Indian subsidiary company incurs expenses or makes purchases or avails any service from some third party abroad and payment to such third party is routed through its holding or related company abroad, provision for deduction of tax at source apply as if assessee has made

payment to such independent party de hors routing of payment through holding company.

The Tribunal also held that in such a situation, crucial factor to consider is chargeability to tax of amount in hands of recipient because if amount is not chargeable to tax due to one reason or other, payment cannot suffer disallowance in assessment of payer.

**[2013] 142 ITD 769 (Panaji – Trib.); [2013] 33 taxmann.com 611 (Panaji**

**– Trib.); ITO v. Ms. Rania Faleiro** - In the instant case the Honourable Panaji Tribunal held that condition for availing of exemption under Section 54EC requires that investment can be made within a period of 6 months and if 6 months fall within two different financial years, assessee can make investment in two different financial years provided in a financial year investment should not exceed Rs. 50 Lakhs. ■

## International Tax Conference

*Organized by Committee on International Taxation  
Hosted by Bangalore Branch of SIRC of ICAI  
On 25<sup>th</sup> and 26<sup>th</sup> October, 2013  
Venue: Bangalore*

**12 hrs  
CPE**

Schedule	Topics	<i>Conference Chairman:</i>
<b>Day 1 – Friday 25<sup>th</sup> October, 2013</b>		<b>CA. K. Raghu</b>
09.00 am to 10.00 am	Registration	<i>Vice-President, ICAI</i>
09.45 am to 10.30 am	Inauguration	<i>Conference Co-Chairman:</i>
10.30 am to 11.30 am	Tax Treaty Policy of India – is it shifting	<b>CA. Dhinal A. Shah</b>
11.30 am to 12.15 pm	Tea Break	<i>Chairman, Committee on International Taxation, ICAI</i>
12.15 pm to 01.15 pm	Illusive Application of ALP	<i>Conference Directors:</i>
01.15 pm to 02.00 pm	Lunch Break	<b>CA. Ravindranath S.N.</b>
02.00 pm to 03.00 pm	Non Residents TDS U/S 195 – Recent Controversies	<i>Chairman, Bangalore Branch of SIRC of ICAI</i>
03.00 pm to 04.00 pm	Current Controversies & Challenges in TP Policy	<b>CA Gurunath N</b>
04.00 pm to 04.30 pm	Tea Break	<b>Kanathur</b>
04.30 pm to 05.45 pm	Panel Discussion Treaty Abuse & Treaty Shopping v/s Tax Planning	<i>Co-opted Member, Committee on International Taxation, ICAI</i>
<b>Day 2 – Saturday 26<sup>th</sup> October, 2013</b>		
10.00 am to 11.00 am	Relief from Double taxation-Challenges & Way forward	
11.00 am to 12.00 pm	Is concept of PE Getting blurred in digital world	
12.00 pm to 12.30 pm	Tea Break	
12.30 pm to 01.30 pm	Recent International Tax Developments	
01.30 pm to 02.30 pm	Lunch Break	
02.30 pm to 05.00 pm	Moot Court	
	Vote of Thanks, Questions and Answers	

### BANGALORE BRANCH OF SIRC OF ICAI CONGRATULATES RANK HOLDERS OF IPCC EXAMS (MAY 2013)

Sl.No.	Roll.No.	Reg.No.	NAME	Marks obtained	Rank
1	211846	SRO0365923	ABISHEK.V	513	36
2	215335	SRO0393497	POOJA.V.JAIN	507	42
3	212477	SRO0393202	DIVYA.K	506	43
4	214983	SRO0395942	ARCHANA.K.R	505	44
5	214900	SRO0352695	SATHYA.S	504	45



# RECENT JUDICIAL PRONOUNCEMENTS IN INDIRECT TAXES

CA. N.R. Badrinath, Grad C.W.A., F.C.A.

CA. Madhur Harlalka, B.Com., F.C.A

## SERVICE TAX

- The utilization of Credit to the extent of 20% in terms of rule 6(3)(c) of Cenvat Credit Rules, 2004. Credit accumulated under Rule 6 of the CCR, 2004 does not lapse as no lapsing provision was incorporated therein and the rule did not explicitly bar the utilization of the accumulated credit. Taking of credit and its utilization is a substantive right of a tax payer under value added taxation scheme. Therefore, in the absence of a clear legal prohibition, this right cannot be denied. Prima facie, this case was in favour of the assessee and Stay Order was granted. [*Idea Cellular Ltd vs Commissioner of Central Excise, Thane, 2013-TIOL-1217-CESTAT-MUM*]
- The incapacity of the Tribunal to dispose of appeals (where an order of stay is granted) within a period of 365 days (180 days earlier) was not attributable to any protractive or dilatory conduct of the assessee. 2<sup>nd</sup> proviso to Section 35C (2A) of the 1944 Act was a fortiori applicable to the proviso introduced into the provision by the Finance Act, 2013. Since the appeal in this case could not be disposed of within 365 days, for no fault of the assessee, a prima facie case in favor of the assessee was recorded by the earlier order.

The assessee was entitled to waiver of pre deposit of the assessed demand, during the pendency of the appeal. [*JP Transformers vs Commissioner of Central Excise, Kanpur (2013-TIOL-1219-CESTAT-DEL*]

## CENTRAL EXCISE

- The respondent imported and procured indigenous jumbo rolls of plastic, aluminium and paper. The same were cut into small different sizes. The revenue filed the contested the process of cutting and slitting of the jumbo rolls facilitates the utility of the product without which it could not be made usable. It resulted into production of new identifiable products and hence it constituted manufacture. The respondent relied on the decision of Honorable Supreme Court in the case of CCE, New Delhi-I vs S.R. Tissues Pvt Ltd which held that any process of cutting and slitting does not amount to manufacture. Accordingly the revenue's appeal was dismissed. [*Commissioner of Central Excise, Mumbai III vs Asmaco Industries Ltd (2013-TIOL-1148-CESTAT-MUM)*]
- The appellant was denied Cenvat Credit on the grounds that the input services received in the corporate office are utilized at the factory premises. The revenue contested that the Corporate office

was not registered as an input service distributor and hence, Credit on the input services could not be claimed. It was held that registration was merely a procedural irregularity, and was to be considered sympathetically. It was undisputed that the appellant had only one factory and that the consideration for the input services was also duly paid. It was held that there was no restriction for utilization of such credit and the appeal was dismissed in favor of the appellant. [*M/s Zenith Fibres Ltd vs Commissioner of Central Excise, Vadodara-I, 2013-TIOL-1107-CESTAT-AHM*]

- The appellant was not considered a manufacturer since the activity undertaken by him did not amount to manufacture. Hence, he was denied to utilize the Cenvat Credit under Rule 3 of Cenvat Credit Rules, 2004. However, there was no dispute that the Excise duty on the final product was paid by the appellants by utilizing the Cenvat Credit. The department had not disputed the payment of duty on vehicles. Therefore, Cenvat Credit availed could not be demanded. The appeal was dismissed in favor of the appellant. [*Hino Motors Sales India Pvt Ltd vs Commissioner of Central Excise, Thane – I, 2013-TIOL-1232-CESTAT-MUM*]
- The appellant was engaged in the manufacture of sugar and availed Cenvat Credit on duty paid on various inputs and capital goods. However, some items classified as capital goods by the appellant were not so as per the revenue. On realizing the same, the credit was



reversed immediately by the appellant. The revenue contended that interest and penalty should be imposed on the credit wrongly availed. It was held that the appellant had not taken or utilized the credit but only availed wrong credit in their account books and

reversed the same once it was pointed out. Hence, no benefit of the wrong credit was taken by the appellant thereby not attracting interest for the same. Also, it was held that once the credit availed is reversed, it stands as if the credit was never availed and hence, it

does not attract any penalty as no penal provisions were invoked under Section 11 AC for the same.

***[M/s Balrampur Chini Mills Ltd vs Commissioner of Central Excise, Allahabad., 2013-TIOL-1142-CESTAT-DEL]***

### IMPORTANT DATES TO REMEMBER DURING THE MONTH OF SEPTEMBER 2013

5 <sup>th</sup> September 2013	Payment of Excise Duty for August 2013.
	Payment of Service Tax for August 2013 by Corporates
6 <sup>th</sup> September 2013	E-Payment of Excise duty for August 2013
	E-Payment of Service Tax for August 2013 for Corporates
7 <sup>th</sup> September 2013	Deposit of TDS/TCS Collected during August 2013
	STPI Monthly Returns.
10 <sup>th</sup> September 2013	Monthly Returns for Production and Removal of Goods and CENVAT Credit for August 2013
	Monthly Return of excisable Goods Manufactured & Receipt of Inputs & Capital Goods by Units in EOU,STP,HTP for August 2013
	Monthly Returns of Information relating to Principal Inputs for August 2013 by Manufacturer of Specified Goods who Paid Duty of Rs.1 Crore or More during Financial Year 2012-13 By PLA/CENVAT/Both
15 <sup>th</sup> September 2013	Payment of EPF Contribution for August 2013
	Return of Employees Qualifying to EPF during August 2013
	Monthly Return (VAT 120) and Payment of VAT/COT for the month of August 2013.
	Payment of Second installment of Advance Income Tax by Corporate assessee and First such installment by non-corporate assessees.
20 <sup>th</sup> September 2013	Monthly Return and Payment of Profession Tax Collected During August 2013
	Monthly Return (VAT 100) and Payment of CST and VAT Collected During August 2013.
21 <sup>st</sup> September 2013	Deposit of ESI Contributions and Collections for August 2013
22 <sup>nd</sup> September 2013	Due date for issue of Form 16B (TDS certificate relating to TDS on immovable property) with respect to TDS deducted in August
25 <sup>th</sup> September 2013	Consolidated Statements of Dues and Remittances Under EPF and EDLI for the August 2013
	Monthly Returns of Employees Joined & Left the organisation during August 2013 under ESI
30 <sup>th</sup> September 2013	Filing of Return of income/wealth by (other than those assessee who is required to furnish a report referred to in Sec 92E). a) Corporate Assessee. b) Individual or HUF carrying on business or profession subject to compulsory audit u/s 44AB. c) Firm or Co-operative society or AOP/BOI subject to audit. d) Individual or HUF being working partner in a firm subject to audit. e) Return of Net wealth by assessee subject to audit.



**Advt.**

# ALL INDIA CA STUDENTS CONFERENCE

*Adopt, Adept & Achieve*



Welcome address by  
CA. Ravindranath S.N.  
Chairman, B'lore Branch

Chief Guest Mr. R. K. Dubey,  
Chairman & Managing Director,  
Canara Bank

CA. Subodh K. Agrawal,  
President, ICAI

CA. K. Raghu,  
Vice-President, ICAI

CA. Vijay Garg,  
Chairman,  
Board of Studies, ICAI



CA. V. Murali,  
Vice-Chairman,  
Board of Studies, ICAI

Mr. Vijay Kapur,  
Director,  
Board of Studies, ICAI

CA. Gururaj Acharya K.

Mr. Anshul Parikh

Mr. Anjan Babu

CA. Padamchand Khincha H.



Ms. Hiral Gulecha

Ms. Aastha Gupta

CA. Shyam Ramadhyani & CA. K. R. Girish

Ms. Nikitha G. Singh

Ms. Vertika Kedia



Entertainment program

## Day 2 - Special Session at All India CA Students Conference



Felicitating His Holiness Guruji Sri Sri Ravi Shankar

His Holiness Guruji  
Sri Sri Ravi Shankar

Managing Committee Members of Bangalore Branch with  
His Holiness Guruji Sri Sri Ravi Shankar



Felicitating His Holiness  
Guruji Sri Sri Ravi Shankar

Blood Donation Camp



# ALL INDIA CA STUDENTS CONFERENCE

*Adopt, Adept & Achieve*



CA. T. N. Manoharan  
Past President, ICAI



Ms. Palak Bhauwala



Mr. Nitin Kumar Nahar



CA. V. Raghuraman



Ms. Reena Bhargavi B.



Ms. Drishti Agarwal



CA. T. P. Ostwal



Mr. Srikanth Radhakrishnan



CA. Vittal Raj R.



Ms. D. Karen Monisha



Mr. Sree Harsha B. V.



Ms. Neha Sharma



Student Volunteers along with Chairman & Managing Committee of Bangalore Branch

## 17th Batch of FNFE Inauguration



Inauguration



CA. K. Gururaj Acharya,  
Course Co-ordinator



Cross Section of Participants

## Speakers at Study Circle Meetings



CA. Anand P. Jangid



CA. A. Rafeq



Mr. Rajan Parulekar,  
Corporate Trainer



CA. Shubha Ganesh



CA. Sunil Surana



CA. D. S. Vivek



CA. Sachin Kumar B. P.



CA. Kartich S. V